



FUND FACTS

Inception Date: November 1, 2016
Fund Size (million \$): \$23.0

Portfolio Manager: Heward Investment Management Inc.

Fund Class	Fund Number	NAV (\$)
Class F	MAJ452	14.08
Class O	MAJ450	16.07
Class D	MAJ453	0.00

Distributions	
Q2 Income Distribution (Class O)	0.11
YTD Income Distribution (Class O)	0.22
Annual Capital Gains Distribution	0.00

PERFORMANCE - Compounded Annual Returns %

	1 mth.	3 mths.	6 mths.	YTD	1 year	2 years	3 years	5 years	10 years	Since Inception
EQUITY FUND	2.22	1.22	4.96	4.96	7.84	4.62	11.81	7.27		7.97
GlobalEquityBenchmark	2.96	2.42	7.95	7.95	13.99	2.80	10.07	7.07		7.73

*10% FTSE TMX Canada 91 Day TBill Index / 45% S&P TSX Total Return Index / 45% MSCI World Index Total Return (C\$)

OBJECTIVES AND STRATEGY

The Heward Equity Fund seeks to achieve a superior long-term rate of return and safety of capital. The strategy is diversified across various sectors and market capitalizations in the global marketplace. The portfolio will be structured in accordance with the Manager's view of the market, therefore, sector allocations may vary significantly over time.

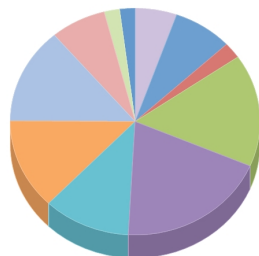
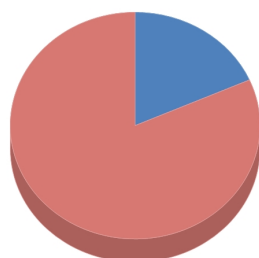
WHAT DOES THE FUND INVEST IN?

Current Asset Mix

CASH	18.96%
EQUITY	81.04%

Sector Allocation

COMMUNICATION SERVICES	4.79%
CONSUMER DISCRETIONARY	6.43%
CONSUMER STAPLES	1.81%
ENERGY	12.00%
FINANCIALS	16.28%
HEALTH CARE	9.72%
INDUSTRIALS	9.85%
INFORMATION TECHNOLOGY	10.49%
MATERIALS	6.14%
REAL ESTATE	1.77%
UTILITIES	1.80%



TOP TEN HOLDINGS

STOCK NAME	% OF PORTFOLIO
DOLLARAMA COMMON	3.04
TORONTO DOMINION BK COMMON	3.01
BANK OF NOVA SCOTIA COMMON	2.96
QUALCOMM INC COMMON	2.87
TELUS CORP COMMON	2.84
SCHNEIDER ELECT SE UNSPON ADR	2.61
OPEN TEXT CORP COMMON	2.46
POWER CORP OF CDA SUB VTG	2.43
TC ENERGY COMMON	2.36
UNITEDHEALTH GRP INC COMMON	2.35

WHO SHOULD INVEST IN THIS FUND?

The Heward Equity Fund caters to investors that value capital preservation. They aim to participate in long-term growth opportunities available in equity markets.

HOW THE FUND PERFORMED

Given the mix of economic data economists and strategists are having a difficult time reading the global economy. Growth within the services sector (70-80% of GDP in most economies) appears to be strong. The Institute for Supply Management's (ISM) non-manufacturing index did fall back last month in the U.S., but the service sector Purchasing Managers' Index (PMIs) in the U.S., UK and the euro zone are all comfortably above the crucial 50-mark. Set against this are the global manufacturing sectors which are a better bellwether of global activity. They are struggling! The PMI's in the U.S., euro zone and UK fell in May and are now consistent with a contraction in manufacturing output. This weakness is being supported by a drop in new orders, which are suggesting that future demand is faltering.

Against this backdrop, our equity fund posted a return of 4.96% for the quarter, underperforming its benchmark which generated a return of 7.95%. The benchmark benefitted from its exposure to the S&P 500 (14.31%) which generated more than 70% of its return from eight key "technology" stocks. Historically, the movement in stock prices has had a stronger relationship with inflation and long-term interest rates than it has with the unemployment rate. Still, we are left with a simple question, can a new and durable economic cycle and market cycle begin when the economy is already starting at full employment? While the banking crisis may be over and interest rates close to peaking, global money supply continues to contract, a negative for equities. As are the tighter lending standards caused by the banking problems! Furthermore, Leading Economic Indicators published by the Conference Board of Canada have not been great. All these factors tend to attest to the fact that an economic slowdown is coming, and with it, a decline in corporate profits. Equities always follow earnings! Given our concern for equities near term, but not expecting a major selloff, we are maintaining an underweight position. While underweight, we continue with our strategy to Buy/Add when issues get oversold and Sell/Trim when over bought. Our favored sectors include energy and technology, while watching the financials carefully.

QUICK FACTS AND FUND CHARACTERISTICS

CHARACTERISTICS:

- Equity portfolio of Canadian and global securities
- 35-45 Holdings
- Moderate risk
- Medium to long-term appreciation

FUND TYPE: Global Equity

REGISTERED ACCOUNT ELIGIBILITY: RRSP, RESP, RRIF, TFSA, IPP

MINIMUM INVESTMENT: \$150,000 (or investors who meet criteria of "accredited investor")

DISTRIBUTION FREQUENCY: Income: Quarterly

Capital Gains: Annually

PROVINCES OF DISTRIBUTION: QC, ON, AB, NB, BC

FUND MANAGER: Majestic Asset Management LLC

FUND ADMINISTRATOR: SGGG Fund Services Inc.

CUSTODIAN: National Bank Independent Network

TRUSTEE: TSX Trust Company

AUDITORS: KPMG Canada

LEAD MANAGER



Renato Anzovino, CFA

Partner & Senior Portfolio Manager

Renato Anzovino has 30 years of experience in portfolio management. Prior to joining Heward in 2003, Mr. Anzovino was a Vice President at a prominent investment management firm. His previous experience extends to the Royal Trust and the Royal Bank Financial Group, where he was a portfolio manager for their private client division. Renato is an active member of the Montreal Society of Financial Analysts. Mr. Anzovino is also the lead Portfolio Manager of the Heward Canadian Dividend Growth Fund.

Co-managers: Maurice Conti & Willem Hanskamp

ABOUT THE FIRM

HEAD OFFICE: Montreal, Quebec

FOUNDED: In 1981 and remains independently owned by the principals of the firm, thus ensuring its continued independence

STAFF: 17

PORTFOLIO MANAGERS: Stable and experienced investment management team of 6 with almost 200 years of combined experience

INVESTMENT STYLE: Growth at a Reasonable Price (GARP) with value basis

INVESTMENT PROCESS: Top-down / Bottom-up

INVESTMENT OBJECTIVE: To provide long term capital growth and preservation of capital

ASSETS UNDER MANAGEMENT: Approximately \$683 million

FOR MORE INFORMATION

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Performance is calculated after brokerage costs, but before management fees. Management fees and administrative expenses all may be associated with pooled fund investments. Please read the offering memorandum before investing. The indicated rates are the historical compound total returns including changes in unit value and reinvestment of all distributions and do not take into account sales, distribution or optional charges or income taxes payable by any security holder that would have reduced returns. Pooled funds are not guaranteed, their value changes frequently and past performance may not be repeated. The Global Equity Benchmark has been used since the inception of the Heward Equity Fund on November 1st, 2016. It reflects the Fund's investment policy of 45% Canadian equity, 45% global equity and 10% cash (+/- 20%). The blended returns are calculated by Heward Investment Management Inc. using end of day index level values licensed from MSCI ("MSCI Data"). For the avoidance of doubt, MSCI is not the benchmark "administrator" for, or a "contributor", "submitter" or "supervised contributor" to, the blended returns, and the MSCI Data is not considered a "contribution" or "submission" in relation to the blended returns, as those terms may be defined in any rules, laws, regulations, legislation or international standards. MSCI Data is provided "AS IS" without warranty or liability and no copying or distribution is permitted. MSCI does not make any representation regarding the advisability of any investment or strategy and does not sponsor, promote, issue, sell or otherwise recommend or endorse any investment or strategy, including any financial products or strategies based on, tracking or otherwise utilizing any MSCI Data, models, analytics or other materials or information.